

NOV 19 1954

LISTED DECEMBER 10th, 1945
85,000 Class A shares without par value
LISTED DECEMBER 31st, 1945
38,600 common shares without par value
Ticker Abbreviation TI
Post Section 1.6

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

THE TORONTO IRON WORKS, LIMITED

Incorporated under the Ontario Companies Act by Letters Patent dated April 1st, 1912.

CLASS A SHARES WITHOUT NOMINAL OR PAR VALUE
COMMON SHARES WITHOUT NOMINAL OR PAR VALUE

CAPITAL SECURITIES AS AT NOVEMBER 26, 1945

STOCK	Number of shares authorized	Number of shares outstanding	Number of shares to be listed
Class A shares N.P.V.....	161,400	85,000	85,000
Common shares N.P.V.....	38,600	38,600	38,600

Toronto, Ontario, November 27, 1945.

1. THE TORONTO IRON WORKS, LIMITED (hereinafter referred to as "the Company") hereby makes application for listing on The Toronto Stock Exchange of 85,000 Class A shares of no par value of its capital stock and 38,600 common shares of no par value, of its capital stock all of which are outstanding.

2. HISTORY

The Toronto Iron Works, Limited was incorporated by Letters Patent dated April 1, 1912, under the Laws of the Province of Ontario to engage among other things in the design, fabrication and erection of structural steel and plate products, and in that year acquired assets of a previously existing business. The Company also fabricates special alloy metals such as stainless steel, "Monel", "Inconel", and clad steel plate. Supreme Boiler and Engineering Company Limited, a wholly owned subsidiary of the Company, manufactures heating boilers.

In the period of expanding Canadian industry, during and subsequent to the first world war, the Company grew and developed until today it is recognized both in Canada and the United States as a leading manufacturer of steel plate products.

By 1929, the business had outgrown the original plant and a new building (88,783 sq. ft. floor area) was erected in the eastern industrial area of Toronto. A new machine shop was built in 1940 and minor additions were made to the main plant in 1941 and 1942. The plant, which is modern and up-to-date in every respect, is favourably located as regards its proximity to supply of materials and to the market for its products.

Both the plant and equipment are designed to handle the average run of steel plate work, 1/8" up to 1 1/4", a range outside of the usual.

3. NATURE OF BUSINESS

The Company is not a primary producer but purchases all its steel plate and bar requirements from leading Canadian mills such as the Steel Company of Canada Limited, Dominion Foundries & Steel Limited, Algoma Steel Corporation Limited and Burlington Steel Company Limited. Most alloy steels are purchased direct from United Kingdom and United States rolling mills.

The Company designs and builds steel tanks for all purposes, blast furnaces, flumes, stand pipes, water towers, stacks, bins, hoppers, rivetted and welded steel pipe, heating boilers and specialized steel plate equipment generally used by chemical, mining, oil, pulp and paper, textile, soap, tar and asphalt, paint and varnish and other industries.

The Company's products are marketed in all nine provinces of the Dominion, as well as in Newfoundland. A large percentage of the production is of a size too large to fabricate completely in the plant and ship in built-up form. Therefore, it is necessary to prefabricate the materials and ship in knocked-down form for assembly and erection where the equipment is to be installed. The Company maintains experienced field crews which are available for erection work anywhere in Canada. An experienced engineering staff, familiar with engineering standards and design and government regulations, supervises all operations.

4. ORGANIZATION AND CAPITAL CHANGES

The Company was incorporated under the Laws of the Province of Ontario by Letters Patent dated the 1st day of April, 1912, with an authorized capital of \$200,000, divided into 2,000 shares of \$100 each.

By Supplementary Letters Patent dated the 13th day of June, 1922, the authorized capital of the Company was decreased to the sum of \$100,000 by the payment off at par, pro rata, of 1,000 issued and outstanding shares of the Company.

This listing statement is a copy of the listing application made by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

By Supplementary Letters Patent dated the 31st day of December, 1929, the authorized capital of the Company was increased to the sum of \$600,000 by the creation of 5,000 shares of \$100 each, of which 4,691 were shares of preferred stock ranking *pari passu* in all respects with 309 previously authorized issued and outstanding shares of preferred stock created by By-law of the Company, so that the capital stock of the Company consisted of 5,000 shares of preferred stock of the par value of \$100 each and 1,000 common shares of the par value of \$100 each.

On the 30th day of December, 1930, 3,708 shares of the preferred stock of the Company were duly redeemed at par in accordance with the provisions attaching to such shares and the common shares of the Company.

By Supplementary Letters Patent dated the 28th day of December, 1942, the authorized capital of the Company was decreased by the cancellation of the remaining 1,292 unissued shares of preferred stock of the Company and in addition the 1,000 issued and unissued common shares of the Company of the par value of \$100 each were changed into 1,000 shares without par value and the resulting 1,000 common shares without par value were subdivided into 200,000 shares without par value.

By Supplementary Letters Patent dated the 26th day of November, 1945, the 200,000 issued and unissued no par value shares constituting the capital stock of the Company were reclassified as 161,400 Class A shares and 38,600 common shares of which 85,000 Class A shares and 38,600 common shares are issued, fully paid up, non-assessable and outstanding and 76,400 Class A shares are authorized but unissued.

5. NO PERSONAL LIABILITY

All the issued and outstanding shares of the capital stock of the Company are fully paid and non-assessable and no personal liability attaches to the ownership thereof.

6. SHARES ISSUED

The shares to be listed result from a reclassification of shares previously issued.

7. STOCK PROVISIONS AND VOTING POWERS

The Class A shares are entitled to a fixed cumulative preferential cash dividend of Sixty Cents per share per annum, payable quarterly on the first days of January, April, July and October in each year. In addition the Class A shares are entitled to participate share for share with the common shares in any dividends declared in any calendar year after dividends aggregating Sixty Cents per share have been declared or paid on the common shares in that year. In case of dissolution or liquidation of the Company the Class A shares are entitled to payment of any unpaid cumulative preferential dividends then accrued, after which the holders of the Class A shares and the holders of the common shares are to share equally share for share in all distributions of the assets of the Company. The Class A shares are non-redeemable and non-convertible. The Class A shares do not carry ordinary voting rights but if the Company fails to pay in the aggregate six quarterly dividends on the Class A shares, thereafter so long as any dividends remain in arrears the holders of Class A shares are entitled to voting rights of one vote per share (except as to the election of Directors) and are entitled as a class to elect a majority only of the Board of Directors.

8. DIVIDENDS

As the shares of the Company were very closely held prior to the offer of Class A shares to the public and the distribution and listing of the common shares in December, 1945, information as to past dividends bears no relationship to the future payment of dividends on the Class A shares and the common shares as now constituted. The dividend rights of the Class A shares and common shares are set out above.

9. PROPERTIES

As stated above, the Company owns and operates a modern and efficient plant at 629 Eastern Avenue, Toronto, built in 1929 with additions in 1940, 1941 and 1942.

10. SUBSIDIARY COMPANY

The Company has one wholly-owned subsidiary, Supreme Boiler and Engineering Company Limited. Particulars of its capital structure are as follows:

Incorporated	Jurisdiction	Par Value	Authorized	Issued	Owned by The Toronto Iron Works, Limited
24 December, 1936	Province of Ontario Letters Patent	No Par Value	100,000 shares	13,753 shares	13,753 shares

11. FUNDED INDEBTEDNESS

The Company has no funded debt.

12. OPTIONS AND UNDERWRITINGS

There are no outstanding options or underwriting agreements in respect of the unissued shares in the capital stock of the Company.

13. LISTING ON OTHER STOCK EXCHANGES

No application has been made or is presently intended to be made for the listing of any shares of the Company on any stock exchange save The Toronto Stock Exchange.

14. SECURITY COMMISSION PERMISSION

Permission has been granted by The Ontario Securities Commission for the sale of the Class A shares and common shares to be listed.

15. FISCAL YEAR

The Company's fiscal year ends December 31st. The Annual Meeting of the Shareholders of the Company shall be held on such date in each year as the Directors may from time to time determine at the Head Office of the Company or elsewhere in Ontario as the Directors may from time to time determine.

16. HEAD OFFICE

The Head Office of the Company is located in Toronto, Ontario.

17.

TRANSFER AGENT

The Company's Transfer Agent is Chartered Trust and Executor Company, Toronto.
18.

TRANSFER FEES

No fee other than the customary stock transfer tax is charged on transfer of the Company's shares
19.

REGISTRAR

The Company's Registrar is Chartered Trust and Executor Company.
20.

AUDITORS

The Company's auditors are: Clarkson, Gordon, Dilworth & Nash, Chartered Accountants, Toronto.
21.

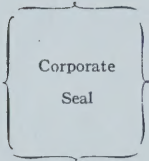
OFFICERS

A. L. Ellsworth, Toronto, Ontario.....*President*
T. F. Rahilly, Toronto, Ontario.....*Vice-President and General Manager*
G. E. Ellsworth, Toronto, Ontario.....*Secretary-Treasurer*
22.

DIRECTORS

A. L. Ellsworth.....Toronto, Ontario
T. F. Rahilly.....Toronto, Ontario
G. E. Ellsworth.....Toronto, Ontario
Alexander Dawson.....Toronto, Ontario
H. W. Knight.....Toronto, Ontario

Pursuant to resolutions duly passed by its Board of Directors the 22nd day of November, 1945, the applicant Company hereby applies for listing of the above mentioned Class A and common shares on the Toronto Stock Exchange and the undersigned officers hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



THE TORONTO IRON WORKS, LIMITED

by "A. L. ELLSWORTH"

and "G. E. ELLSWORTH"

FINANCIAL STATEMENTS

THE TORONTO IRON WORKS, LIMITED

AND

SUPREME BOILER AND ENGINEERING COMPANY LIMITED

STATEMENT OF CONSOLIDATED EARNINGS

for the fiscal years ended 31st December, 1936 to 1944, inclusive

and for the nine months' period ended 30th September, 1945

Year ended 31st Dec.	Earnings from operations before depreciation and taxes on income	Provision for depreciation on fixed assets	Earnings from operations before taxes on income	Income from investments and properties	Total Earnings before taxes on income	Provisions for taxes on income at rates applicable in the respective years and after deducting refundable portion of tax	Net earnings
1936.....	\$ 54,991.40	\$ 33,033.45	\$21,957.95	\$ 11,242.92	\$ 33,200.87	\$ 4,651.09	\$ 28,549.78
1937.....	102,381.73	35,643.57	66,738.16	15,800.04	82,538.20	12,897.89	69,640.31
1938.....	119,218.89	36,278.52	82,940.37	18,925.58	101,865.95	16,325.36	85,540.59
1939.....	145,513.43	27,057.52	118,455.91	20,721.43	139,177.34	25,200.00	113,977.34
1940.....	178,573.56	38,862.79	139,710.77	16,418.34	156,129.11	62,450.19	93,678.92
1941.....	301,847.36	53,708.04	248,139.32	16,597.97	264,737.29	134,654.34	130,082.95
1942.....	328,921.06	52,181.55	276,739.51	16,000.58	292,740.09	169,169.66	123,570.43
1943.....	424,823.65	34,660.18	390,163.47	20,740.74	410,904.21	271,676.26	139,227.95
1944.....	143,319.23	27,573.77	115,745.46	34,475.41	150,220.87	52,675.00	97,545.87
Nine months' period ended Sept. 30, 1945	158,413.68	21,278.78	137,134.90	24,782.94	161,917.84	82,100.00	79,817.84

- Notes: (1) Provisions for taxes on income as shown above are after deducting the estimated refundable portion of excess profits tax as follows: 1942—\$15,959.68; 1943—\$55,781.72; 1944—nil; nine months to 30th September, 1945—\$10,300.00.
- (2) The above statement of consolidated earnings does not include any portion of the charge of \$50,000 to surplus account made at 30th September, 1945, to create the reserve for contributions to employees' retirement and benefit fund.

AUDITORS' REPORT

The Directors,
The Toronto Iron Works, Limited,
Toronto, Ontario.

We have examined the above statement of consolidated earnings of The Toronto Iron Works, Limited, and its wholly-owned subsidiary, Supreme Boiler and Engineering Company Limited for the nine fiscal years ended 31st December, 1936 to 1944 inclusive, and for the nine months' period ended 30th September, 1945, and report that in our opinion the earnings were not less than the amounts shown therein.

(Signed) CLARKSON, GORDON, DILWORTH & NASH,
Toronto, Canada, 20th November, 1945.
Chartered Accountants.

THE TORONTO IRON WORKS, LIMITED
and its wholly-owned subsidiary
SUPREME BOILER AND ENGINEERING COMPANY LIMITED
(Incorporated under the Ontario Companies Act)
PRO FORMA CONSOLIDATED BALANCE SHEET
AS AT 30th SEPTEMBER, 1945

(After giving effect to—

- (1) The granting of Supplementary Letters Patent dated November 26, 1945, authorizing the conversion of the 123,600 common shares of no par value presently outstanding into 85,000 Class A shares and 38,600 common shares, and designating the presently unissued 76,400 common shares as Class A shares.
- (2) The receipt of \$91,000 cash and amount receivable on mortgage, \$6,798.65, upon distribution of the assets of a former subsidiary company now in process of winding up.)

ASSETS

CURRENT:

Cash on hand and in banks.....		\$103,090.24
Accounts receivable.....	\$285,702.02	
<i>Less</i> reserve for doubtful accounts.....	3,729.92	
		281,972.10
Amounts due by employees for Dominion bonds purchased on their behalf.....		3,579.86
Inventories as determined and certified by the management and valued as follows:		
Contracts in progress unbilled, at accumulated cost at 30th September, 1945, <i>less</i> 90% of amounts billed to customers on account.....	\$199,191.52	
Raw materials at the lower of cost or market.....	76,263.11	
	\$275,454.63	
<i>Less</i> wartime inventory reserve.....	1,389.94	
		274,064.69
Investments at cost less amounts written off—the market value of which is in excess of this amount:		
Dominion of Canada Bonds.....	\$304,950.00	
Other Securities.....	320,345.33	
		625,295.33
		<u>\$1,288,002.22</u>

SUNDRY PROPERTIES AND MORTGAGE:

Properties.....	\$59,250.00	
<i>Less</i> Reserve for depreciation.....	4,437.50	
		\$54,812.50
(<i>Note</i> —The appraised value of these properties in September, 1942, was in excess of this net amount.)		
Mortgage receivable.....	6,798.65	
		61,611.15

FIXED—at cost:

Real Estate.....	\$160,650.51	
Buildings.....	344,709.15	
Plant and machinery.....	360,661.91	
Office furniture and fixtures.....	6,962.19	
Automobiles.....	11,278.79	
		884,262.55
PREPAID INSURANCE AND TAXES, ETC.....		10,555.82
POST-WAR REFUND UNDER THE EXCESS PROFITS TAX ACT.....		82,041.40
		<u>\$2,326,473.14</u>

LIABILITIES

CURRENT:

Accounts payable and accrued charges.....	\$78,028.55	
Reserve for taxes on income and other taxes.....	91,509.56	
Reserve for contribution to employees' retirement and benefit fund.....	50,000.00	
		\$219,538.11
RESERVES FOR DEPRECIATION.....		613,072.28

CAPITAL AND SURPLUS:

Capital—		
To be authorized—161,400 Class A shares of no par value with cumulative preferential dividend of 60c per share per annum and 38,600 common shares of no par value.		
To be issued—85,000 Class A shares		
38,600 common shares.....	\$ 61,800.00	
Earned Surplus.....	1,432,062.75	1,493,862.75
		<u>\$2,326,473.14</u>

AUDITORS' REPORT

The Directors,
The Toronto Iron Works, Limited,
Toronto, Ontario.

We have examined the above pro forma consolidated balance sheet as at 30th September, 1945, of The Toronto Iron Works, Limited and its wholly-owned subsidiary, Supreme Boiler and Engineering Company Limited.

We report that in our opinion the above consolidated Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the companies' affairs at 30th September, 1945, after giving effect to the changes set forth therein, according to the best of our information and the explanations given us.

(Signed) CLARKSON, GORDON, DILWORTH & NASH,
Chartered Accountants.

Toronto, Canada, 21st November, 1945.